315 Two additional pipelines, each of 10 in. diameter, constructed largely of material removed from France, have been built between Ploesti and Giurgiu, each with a capacity of over three quarters of a million tons a year.

New refinery and drilling equipment, which prior to the war Rumania used to import largely from the United States, has now to be obtained from Germany. The financial terms on which this equipment is obtained are unfavourable to Rumania and deliveries are slow.

315 **2. German Influence on the Oil Industry**

648 German pressure upon Rumania to obtain greater supplies of oil has been largely exerted by means of commercial penetration into the oil industry, but there is evidence that Nazi diplomats 473 have laid particular emphasis on the German need for oil, suggesting that larger supplies might be available if production was increased and internal consumption reduced.

German penetration into the Rumanian oil industry began to take aggressive form some time before the war. The Germans first acquired a minority holding in Creditul Minier, then in 1939 secured control of Petrol-Block. The collapse of France afforded further opportunities of encroachment, and through Kontinental Oel A.G. control of Concordia and Colombia was secured; similarly, by assuming arbitrary control of Dutch interests the Germans now direct the policy of Astra-Română, the largest of the producing companies. In all, German influence through financial control now extends to about 50 per cent. of the industry, and 60 per cent. of productive capacity, quite apart from the pressure the Germans can exert through control of transport out of the country. The actual effect of this influence is not easily assessed, modified as it is by Rumania's nationalistic oil legislation—particular privileges are reserved under the new mining laws for companies which can show that 75 per cent. of their capital is in Rumanian hands—and the instinctive aversion of the Government to outside control. It is, however, sufficient to ensure that German requirements have a definite priority, and nationalistic as some parts of the new mining law may be, any measures serving to increase immediate production, under whatever pretext they are taken, are beneficial to Germany's interests. Tables I and II on pages 15 and 16 show the approximate strength of the oil groups by nationalities in 1940 and 1942. 1

3. War-time Restrictions

315 Nearly 70 per cent. of Rumanian petroleum
135 consumption is represented by fuel oil, and a theoretical saving could be brought about by the use of coal and natural gas. Coal resources, however, are limited, and in any event a greatly increased use of coal is restricted also by the speed at which locomotives and power plants can be converted from oil to coal burning.

315 In November 1942 a petrol-rationing scheme
434 was introduced, and although the allowances were on a liberal scale, the regulations do not appear to have been observed and the scheme as a whole was ineffective. In March 1943 this was admitted by the announcement that the scheme would be more strictly enforced and new ration cards issued. Simultaneously regulations were published concerning the use of taxis, and a time limit of September 1943 was set for the conversion of boiler plant.

In general, attempts to restrict consumption either by the announcement of new regulations

1 [Cf. Cat. 315, pp. 15c and 16a-Analyst]

[14b]

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TABLE III

PRINCIPAL RUMANIAN OIL COMPANIES, 1942

Name	Founded	Capital (mill. lei)	1940 Crude Production (tons)	Controlling interest
Astra Română	1910	2,542	1,173,256	Royal Dutch Shell
Concordia	1907	2,030	793,026	Kontinental Oel A.G.
Româno-Americana	1904	1,500	727,345	Standard Oil of New Jersey
Steaua Română	1895	1,500	640,920	French, Rumanian, British
Unirea	1921	720	652,000	General Mining Corporation
Columbia	1905	380	585,193	Kontinental Oel A.G.
Creditul Minier	1919	605	292,166	Rumanian
Prahova	1920	330	271,947	A.G.I.P. (Azienda Generale Italiana Petroli)
I.R.D.P. (Industria Română de Petrol)	1920	120	117,925	Sudostchemie Hand A.G. German
Petrolul Românesc	1920	120	83,377	Creditul Minier, Rumanian
Starnaphtha	1926	60	55,530	French
Foraj Lemoine	1923	44	42,658	Rumanian, Franco-Belgian
Redevența	1918	300	28,474	Rumanian
Foraky Românească	1922	50	25,958	German
Sondrum	1921	100	17,982	French
Petrol Block	1918	470	—	German (refining company)

TABLE IV

PRINCIPAL RUMANIAN REFINERIES

382
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Name	Location	Annual Capacity (tons)	Cracking Capacity (tons)
Astra Română	Ploești	1,750,000	600,000
Steaua Română	Câmpina	1,500,000	350,000
Concordia	Ploești	1,300,000	200,000
Română-Americano	Ploești	1,100,000	350,000
Phoenix Unirea Orion	Ploești	800,000	150,000
Standard Petrol Block	Ploești	550,000	150,000
Creditul Minier	Brazi	530,000	150,000
Colombia	Ploești	485,000	260,000
Unirea Speranța	Ploești	400,000	—
Redevența	Ploești	230,000	—
Prahova	Bucarest	200,000	—
Lumina (Petrolmina)	Ploești	140,000	—
Noris	Ploești	50,000	—

CHAPTER IV

327 compared with the following annual pre-war figures:

Year	'000 tons
1936	225
1937	241
1938	326
1939	385

4. Iron and Steel Consumption

The limited native iron and steel production, which was never sufficient to keep the consuming industries fully supplied, became an increasing impediment with the rapid development of these industries during the last few years. Iron and steel products had therefore to be imported at the rate of 2,300,000 tons a year. The outbreak of war in Europe, and consequent restriction of supplies meant a falling off of imports, so that an acute shortage developed. During 1942, however, the situation improved somewhat in that Germany was reported to have sent a total of 130,000 tons of iron and steel products to Rumania.

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5. German Penetration

327 A small degree of penetration into the Rumanian iron and steel industry has been achieved 439 by the Hermann Göring Werke, which, after the partition of Czechoslovakia, acquired Czech interests in Reşiţa amounting to 6 per cent., which 473 were later increased to 20 per cent.

In 1941 a company with 50 per cent. German and the remainder Rumanian capital, was formed to take over the management of Reşiţa and its associated companies. The Malaxa Works later also came under the organisation of this company.

C. LEAD AND ZINC

1. General

328 In pre-war years Rumania was practically 439 self-sufficient in lead but not in zinc, since she possessed no zinc-smelting facilities. Her production of zinc concentrates was exported, mainly to Poland, part of the metal content being reimported after smelting. Belgium and Poland were her chief suppliers of metallic zinc.

2. Mines and Plant

316 The mining of lead and zinc constituted only a small industry in Rumania. Part of the production, almost 50 per cent. in the case of lead, was obtained incidentally to the working of gold and silver ores. The principal producers were the State-owned mines Baia Sprie, Capnic, Văratec, Valea Roşie, Dealul Crucii, and the Herja mine owned by Phœnix S.A., all are situated in the Baja Mare district in North Transylvania. The Herja ores averaged approximately 8 per cent. lead and 14 per cent. zinc, whilst ores from the other mines averaged only 4 per cent. lead and 10 per cent. zinc.

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135 There are other deposits in the Transylvanian Erzgebirge, where galena and blende are associated with gold occurrences, in the Hunedoara-Banat, and Severin districts, and at Cârlibaba in the Bucovina.

328 Rumania possessed two lead smelters for the treatment of her production of concentrates: the Phœnix plant at Lucaci, with a capacity for about 5,000 tons of crude lead and 3,000 tons of refined lead, and a plant at Feriza belonging to Uzinele Metallurgica din Firiza de Jos. There

[22a]